

W. T. COLEMAN'S FAILURE

WHY THE GREAT FIRM SUCCUMBED.

IN THE FIRE—ASSETS AND LIABILITIES.
[BY TELEGRAPH TO THE TRIBUNE.]
San Francisco, May 8.—The Coleman failure was chief topic of conversation among merchants and the down-town clubs to-day. The opinion yesterday was generally that reaching out and attempting control too many lines of business brought on

the general public and confidence in the firm's stability was great that recovery was carried on successfully for a long time. Most of the assets are unavailable for ready cash, and if closed out at once leading merchants who are good judges declare they will not realize 50 per cent of the liabilities. A significant feature of the failure was the appearance here on to-day of the assignment of R. H. Kissel, of Delaware, Morgan, Kissel & Co., of New-York and Chicago, who opens a business here to-day. This firm for several years have done the Eastern business for Coleman but last January all accounts were closed and

to them by Mr. Coleman. Mr. Kissel explained arrival here at this time as merely a coincidence. This is absurd. Mr. Kissel simply learned of Coleman's embarrassments and came here to try to establish himself on the wreck of the old firm. This work he gets no sympathy. Bradstreet's agent here was indignant over Kissel's unbusinesslike way of hurrying out here and opening a branch office day without any warning to the agency.

\$200,000 proved true, and it was the pressure for payment of this, with other demands from New York banks, that precipitated the failure. What Mr. Coleman can realize on his assets is wholly a matter of conjecture. A well-informed business man, in talking on the subject to-day, said: "All valuation given in Coleman's schedule of assets are inflated. It is doubtful whether you could get any one to take

box workers a quarter of a million, while it is absurd to rate their value at two millions with the present uncertainty about the tariff. It would be a great risk to give even 10 per cent of Coleman's valuation, and if the tariff bill passes, it would be a profit. Then take the San Rafael property, which is estimated at a million and a half. This is a bonanza, and under the hammer if you get one-half of this sum you would do well. Coleman's land holdings in San Rafael have been cut up into vine lots and many sold at a high figure, but the real estate boom is shaky now, and a forced sale would bring prices down to real values.

The Bureau of Reclamation, Santa Clara Valley, is now making a map of the Columbia River and

in Alaska. Nothing like the value put on them can be realized.

Mr. Coleman said before he left here for San Francisco:

"My plans are to pay my debts in full. I hope to shall realize on our assets to the extent we now anticipate, and if we do we shall pay everybody in a day. That at least shall be my ambition. If I can't do it with the assets I have I shall go to work and do it myself with the assets. Fortunately, I am not yet a very old man for such a task. We lost heavily on fruit last year for such a task. We lost heavily on fruit last year for such a task."

On the prospect. Low prices, stagnant market, handling and bad results of the work of our East Coast branch, the fact that the company had no borax property owing to the gloomy future of mineral when on the free list and in competition with the foreign article, and losses of our firm on the free list, were the reasons for the meeting.

"I needed \$800,000 to meet obligations in New York due within a few days, and could not raise the amount without making promises and a sinking fund for the future. I called a meeting.

From talks with fruitmen, it was learned that the year Coleman & Co. set out to control the fruit trade of this coast, the rate raised for raisins was \$100 per ton. The fruitmen were not in a position to stand up to the company in making a corner. Raisins were purchased over the State in order to obtain the control of this market.

The assignees have made no progress with accounts yet. The chief local creditors are the Bank of California, with \$190,000; of which \$130,000 is secured by Nevada Bank, \$220,000; Bank of British North America, about an equal amount; the New-England Bank, \$100,000.

Chicago, May 8.—W. T. Coleman & Co. have no agency either in Chicago or New-York State since January 1, their business in both cities having passed into the hands of Delaford, Morgan, Kissell & Co., which firm T. B. McGovern, the former Chicago agent of Coleman & Co., is a member. Mr. McGovern was seen at his house by a reporter and said that he first heard of the failure a few hours before. It was great a surprise to him as he knew it would be to business community generally. He estimated liabilities at \$2,000,000, nearly all of which would upon New-York City. Not a dollar would be

In Chicago through the failure. The firm had been considered thoroughly reliable, and its credit was excellent. Its paper had been on the market and chiefly in the hands of various New-York banks. Its collapse would also involve many salmon and tanning establishments of the Pacific Coast, and many of these concerns would be unable to survive the crisis.

Mr. McGovern was the attorney as well as a local agent of the Coleman Company, and wound up its affairs before they withdrew from the market. He had thought he did not exactly know the firm, but he was not prepared for any such outcome. He thought the firm would be able to make a good show

ing toward a settlement. Mr. Coleman was a wealthy man. He was a large Pacific Coast land-owner, besides being extensively interested in other enterprises. His firm, he said, had often advanced money to the San Francisco house but taken goods for every dollar of it, and would not let a cent. Coleman & Co. have done business in Chicago for over 300,000 a year.

HOW THE FAILURE WAS TAKEN HERE
NEARLY A MILLION IN PAPER SAID TO BE HELD
THE EAST.

The failure of William T. Coleman & Co. was a general theme of discussion in business circles yesterday despite the fact that the assignment was not entirely unexpected. Various rumors indicating such a failure have been current for some time, but notwithstanding this much surprise was expressed among business men who had only known the firm as one of the wealthiest

the largest in the borax trade in the world. It is thousands of acres of borax land in California, and Coleman, the senior partner, whose name has been mentioned as a Democratic candidate for the Presidency, was supposed to be worth two or three million dollars.

The firm composed of W. T. Coleman, Frank Johnson and Carlton C. Coleman. They had a branch in this city, at No. 71 Hudson-st., until January, when a new firm, Delafeld, Morgan, Kissel & Co., took the Eastern business. The reasons for making the change were set forth by Coleman & Co. in a circular issued at the time, and the new firm, Delafeld, Morgan, Kissel & Co., issued a circular as follows: "T. Coleman & Co. having transferred to us their warehouses and offices in New-York and Chicago, we

Morgan, Kissel & Co., making a specialty of Pacific Coast products, being retained and appointed Messrs. W. T. Coleman & Co., of San Francisco, their sole agents east of the Rocky Mountains and Canada."

represented Coleman & Co. as commission merchants. They sent goods here and his firm sold them. Coleman & Co., he added, had done little business in goods, but he did not think they owed anything.

merchandise in New-York. The greater part of the indebtedness in the East was on paper. He did not know what banks held the firm's paper, but was of the opinion that New-England banks were the most deeply interested. Mr. Delafeld was formerly a partner with Coleman & Co., but withdrew to form the present firm of which he is the senior partner. W. Brown, who holds the power of attorney for Coleman & Co. in this city, declined to make any further statement of the firm's affairs.

acted for the San Francisco firm in New-York and other Eastern cities, it was stated that Coleman Co.'s paper sold well up to the time of the fall

In fact, it was considered first-class in every respect. It was reported that about \$900,000 of this paper was held in the East and nearly half this amount by New York banks. It is well distributed among them, so that no institution will suffer seriously. There is a general disposition to discredit the statement that

the firm's assets were as reported \$1,000,000 against about \$2,000,000 liabilities. Sympathy was expressed by many with Mr. Coleman. It is thought that he will be able to resume and pay every dollar he owes. One of the main causes of the failure was the in-

ment of \$1,000,000 or more in borax works, which firm negotiated to sell, but the sale was spoiled by proposal to put borax on the free list. It is ~~the~~ that other San Francisco houses will be affected by failure.